

TENNESSEE REGULATORY AUTHORITY

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T.R.A. DOCKET ROOM

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

March 12, 2004

Mr. Archie Hickerson
AGL Resources, Inc.
Location 1686
P. O. Box 4569
Atlanta, GA 30307

RE: Docket No. 04-00034 – Petition of Chattanooga Gas Company for Approval of Adjustment of Its Rates and Charges and Revised Tariff

Dear Mr. Hickerson:

After reviewing your petition, we have discovered that certain additional information is needed to complete the application. Please provide the following information, an original and thirteen (13) copies, addressed to:


Deborah Taylor Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

91. Explain the nature of Account 145901-LNG Presentation Reclass. Explain why this account dropped to a zero balance in November 2001 and November 2003, and provide the accounting entries associated with this change. Also, explain why the balance in this account has remained stagnant at \$980,962
92. Regarding the Company's fire at its LNG Plant: Provide the insurance payments that the Company has received along with any outstanding claims. Also, provide all of the accounting entries associated with these claims and receipts.
93. Explain the nature of Account 145710-SS1 Underground Storage. Explain why this account went to a zero balance in May 2001.
94. Explain how the Company separates its books relative to gas inventory owned by its asset manager

95. Explain the nature of Account 157400-Other Prepayments. Explain why this account went to a zero balance in March, 2003.
96. Provide all working capital workpapers referred to in Exhibit MJM-3.
97. Provide the support for the Company's Deferred Rate Case estimate of \$250,000 as shown on Exhibit MJM-3
98. Examine Account 139100 - Reserve for Uncollectibles. Provide a monthly analysis of this account from October 1, 1999 through September 30, 2003 segregating the monthly reserve balance between gas cost and non-gas cost
99. Examine Account 162999-Other Deferred Debits. Explain the components to this account. Explain why this account reached a zero balance in November 2003, and provide the associated accounting entries with its elimination. Also, provide the accounting entries relating to the restoration of this account in December 2003 to a balance of \$419,520.
100. Explain the distinguishing features of Account 100100-Property and Plant in Service with Account 100200-Utility Plant in Service-Gas.
101. Provide a narrative of the Company's monthly processes to calculate and record unbilled revenue and deferred gas cost. Provide the monthly calculations of deferred gas cost and unbilled revenue from October 2002 through September 2003.
102. Explain why the Company recorded \$514,005 to Goodwill in December 2002, and provide the related accounting entries.
103. Refer to the Company's response to TRA Discovery Request #47. Provide the coefficients of correlation related to the regression results provided in this response.
104. Refer to the Company's response to TRA Discovery Request #57. Provide the consumption history for the two I-1/T-2 customers added in July 2003 as well as a quantification from this consumption history that foots to the test period average monthly consumption of 7,282 Mcf
105. Refer to the Company's response to TRA Discovery Request #57. Provide the quantification of the -314,924 Mcf Adjustment that equates to a 4% decline in usage per customer

Please respond by March 26, 2004. Thank you for your attention to this matter. If you should have any questions, you may contact me at (615) 741-2904, ext. 174.

Sincerely,



William H. Novak

Chief

Energy and Water Division

cc: Steven Lindsey
D. Billye Sanders
John Ebert
Elizabeth Wade

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